

California Health Policy and Data Advisory Commission

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**Minutes
Health Data and Public Information Committee
November 14, 2006**

The meeting was called to order by Howard L. Harris, Chairperson, at 10:00 a.m., in Room 470 of the Bateson Building, 1600 Ninth Street, Sacramento, California.

Present:

Howard L. Harris, PhD, Chair
Jan Meisels Allen
Jay R. Benson
Stephen Clark
Denise M. Hunt
Debra Lowry
Jacquelyn Paige

Absent:

Vito Genna
Vickie Ellis
Lark Galloway-Gilliam
Janice Ploeger Glaab
Dorel Harms
Lisa Simonson Maiuro
Santiago Munoz
Darrell Nixon
Terri Smith O'Rourke
Catherine Nichol

CHPDAC Staff: Kathleen Maestas, Acting Executive Director; Terrence Nolan, Office Manager

OSHPD Staff: David M. Carlisle, MD, PhD, Director; Beth Herse, Staff Counsel; Michael Rodrian, Deputy Director, Healthcare Information Division; Jonathan Teague, Manager, Healthcare Information Resources Center; Mallika Rajapaksa and Brian Paciotti, Healthcare Outcomes Center; Kendrick Kwong, Manager, Accounting and Reporting Systems; Tim Pasco, Systems Analyst, Accounting and Reporting Systems; Mary Nelson Tran, PhD, Manager, Administrative Data Programs; Brian Paciotti, Administrative Data Programs

Also Present: George L. Koortbojian, Clark, Koortbojian & Associates; Sherrata Lane and John Turek, California Hospital Association; Scott Peifer and Harry Osborne, Alliance of Catholic Health Care

Approval of Minutes: Dr. Harris noted that there was no quorum and the September 28, 2006 minutes would be submitted for approval at the January 24, 2007 meeting.

OSHPD Report: David M. Carlisle, MD, PhD, Director



Dr. Carlisle welcomed everyone to the HDPIC Meeting and pointed out that this was the first post-election meeting, and judging from the course of the election, the Governor's emphasis on healthcare reform would continue. Dr. Carlisle also mentioned Proposition 86 was defeated by the California electorate. Proposition 86 would have steered a significant amount of funding to Work Force programs, and OSHPD would have had a role in its implementation.

Teresa Smanio, Assistant Director, Legislative and Public Affairs, has announced her retirement effective the end of the year. This is a Civil Service CEA position.

Staff is aggressively recruiting for the position of Executive Director of the Health Professions Education Foundation. This is a Governor's exempt position.

Dr. Harris asked Dr. Carlisle to comment on an article from the Wall Street Journal that Dr. Harris felt would interest the Committee. Dr. Carlisle pointed out that the article was basically a summary on where things stand on the patient safety front. A few years back, a report came out of the Institute of Medicine entitled "To Err is Human" that attributed about 100,000 deaths per year to inpatient safety failure or medical error within the healthcare system. Medical error is a leading cause of death in the United States, and since that report came out, there has been a significant effort towards the pursuit of patient safety as a topic of reform within healthcare. The jist of the current article is that not enough progress has been made and that a more unified, effective approach to addressing safety is needed. The article cites a new report released by the National Quality Forum, which recommends a set of patient safety practices. Some of the recommendations are fairly generic, for example "create a healthcare culture of safety", but others are highly specific, such as "use only standardized abbreviations for dose designations." Another significant recommendation cited, which is in keeping with the Governor's pursuit of E-health as a policy agenda, "implement a computerized prescribe or order entry system."

AHRQ has issued a set of guidelines on inpatient safety indicators, which include items such as post-operative hemorrhage, postoperative respiratory failure, birth trauma, transfusion reactions. These are all items that can be reported in administrative data sets. The possibility of taking this on at OSHPD has been discussed, but no commitment has been made in that direction. It is definitely something that OSHPD may pursue in the future.

Consistent with our up-coming Maternal Birth Outcomes report, some of the patient safety indicators are actually items that will be captured by that report, such as vaginal delivery with instrumentation, trauma, and post-delivery cesarean section rates. Dr. Carlisle added that a report several months ago indicated that cesarean section can be associated with a decreased success in neonatal outcomes which was not previously thought to be the case.

Dr. Harris reviewed the October 16 Commission meeting, stating that there had been very lively and detailed discussions on both the upcoming Community Acquired Pneumonia Report and the Perspectives in Healthcare taking into account the recommendations of the HDPIC Committee. After the discussion of the Community

Acquired Pneumonia Report with respect to the Kaiser letters, a motion was unanimously passed by the Commission, that the Report go forward “with release of the Community Acquired Pneumonia Report and that all letters be placed at the back of the report and that nothing be stated in the Executive Summary regarding any letters received.” Commissioners felt strongly that a report with too many caveats in the Executive Summary would unfairly damage the report’s credibility.

Jonathan Teague put on a PowerPoint presentation outlining the Perspectives in Healthcare Report, the committee discussed the report, and a motion was unanimously passed by the HDPIC Committee, that “an overview and county specific data in hard copy print be sent to those designated by OSHPD staff, and a pamphlet and full state CD shall be distributed to the full distribution list.”

Jacquelyn Paige suggested that graduate schools in medicine and public health be added to the list. Jan Meisels Allen added that any schools or libraries that work with healthcare programs should be added to the list.

Healthcare Information Division (HID) Update: -- Michael Rodrian, Deputy Director

Mr. Rodrian gave an informational report on the Cal RHIO Summit V meeting, which he attended a few weeks ago. The Cal RHIO Summit V is moving forward on a similar track to the Governor’s E-health forum, and there was a fair amount of overlap, but Michael Rodrian felt it had a different focus. Cal RHIO’s primary focus is on electronic medical records that would be available to individuals, providers and also would be a data collection mechanism, while the focus of the E-health forum is health information technology in general and is broader in scope in that it encompasses telemedicine and other aspects of health information technology. This particular conference focused primarily on privacy, confidentiality and data-sharing issues. Although the focus was on personal medical record data and not State data sets, the implication was that the focus would spill over into State data sets as the summits continue.

OSHPD will be presenting a document on collection of new data elements to the Commission at its next meeting.

Discussion on Implementation of AB 744 - Chan (Hospital Fair Pricing Policies): -- Kendrick Kwong, Manager, Accounting and Reporting Systems

Over the last few years, there have been about six charity care bills introduced by the Legislature but not enacted. For example, SB 379 (Ortiz), which was vetoed by the Governor, would have given hospitals adequate time to implement voluntary guidelines developed by CHA and encouraged its member hospitals to adopt.

AB 774 (Chan) was signed by the Governor on September 29, 2006. This statute applies to all general acute care hospitals, and becomes effective January 1, 2007. Some exempt hospitals are chemical dependency recovery facilities, psychiatric health facilities and State Hospitals. Compliance with the bill is a condition of licensure, enforced by the Department of Health Services.

The intent of this statute is primarily to regulate hospital charges and the bill collection procedures for the uninsured and the underinsured patients by taking a two-pronged approach: increasing public awareness of the availability of charity care and government-sponsored health programs and by standardizing billing and collection procedures.

Basic requirements of AB 774 are:

Hospitals must maintain “clear and understandable” written policies for charity care and discount payments. The policies must state the process used to determine eligibility. Discount policies must include allowing the patient to negotiate an extended payment plan.

The patient has to have a family income at or below 350 percent of Federal Poverty Level. The rural hospitals may establish a lower level than 350 percent. The patient would be uninsured or could be insured with no third-party discount and have high medical costs. High medical costs are defined as out-of-pocket hospital costs greater than ten percent of annual income during the last 12 months. The statute limits the payment that eligible patients are expected to pay to the higher of Medicare, Medi-Cal, Healthy Families, or other government-sponsored health plans. The statute does not limit the amounts to a single payer, but does place some restrictions on income and assets in determining eligibility. The statute does not address what is counted as income such as money in a savings account nor the review of assets.

For eligible patients, the hospital must wait 150 days after initial billing before filing an adverse report with a consumer credit reporting agency or begin civil action. This only applies to patients going through the charity care process.

The statute requires hospitals to inform patients of the availability of charity care during the admitting process. The outpatient would be notified during the registration for emergency services.

Hospitals must post this information in a clear and conspicuous location in the emergency room, admitting office, billing office and other outpatient settings. Written correspondence to patients must be language appropriate for non-English speaking persons if they constitute more than five percent of persons served by the hospital.

The statute will include a statement of charges, information on government-sponsored health programs such as Medi-Cal, Healthy Families, California Children’s Services and other programs through the Department of Health Services, with proper instructions for obtaining applications.

Hospitals cannot garnish wages or place a lien on the primary residence of the eligible patients. The extended payment plan under the discount payment process will be interest free. The hospitals need to establish a written policy on debt collection and how debts will be collected. The hospital is required to have a written agreement with the collection agency.

The statute does not say that hospitals must provide a certain percentage of charity care, nor does the bill establish a floor. The statute does not cover the scope of covered services. It will be up to each hospital to define in their policy the types of services they plan to cover.

According to the law, each hospital must submit to OSHPD a copy of its charity care policy, discount payment policy (interpreted to be partial charity care), eligibility procedures used for these policies, review process, and the application form.

Reporting to OSHPD will begin on January 1, 2008, after regulations are adopted. OSHPD needs to develop a collection system and go through the administrative review process for adopting regulations. Collection of reporting requirements will probably occur at the same time for convenience. Reports are due bi-annually, with revisions whenever a hospital has a significant change. Changes will be made to OSHPD in writing. Hospitals will notify OSHPD in writing yearly that no changes were made and the information is still valid.

OSHPD plans to require electronic reporting by developing a web-based system that will allow hospitals to submit the original and revised documents online. OSHPD will meet with industry representatives and consumer groups to help develop the online reporting system.

An English version of the appropriate policies will be submitted to OSHPD, with a listing of languages that the policies are available in.

It is anticipated that initial concepts of proposed regulations will be available for discussion at the next HDPIC meeting in January. Regulations should be approved by October so that facilities can be notified of the reporting requirements. The reports will be due on January 1, 2008.

Mallika Rajapaksa asked for a clarification of the definition of family used in the statute, pointing out that family and household can be defined in a number of ways that could lead to inconsistencies when calculating income level. For example there can be many persons in a household that represent a number of different families not just one. The federal government has a definition for what comprises a family and what comprises a household. Beth Herse said the statute uses the term "family." The family definition in the statute may not be consistent with federal language.

OSHPD staff has been working with DHS concerning DHS' role and coordination with OSHPD. DHS is working on a policy and procedure manual to be distributed to all the district offices, governing the survey and certification activities for surveyors when they go into hospitals. This will enable surveyors to determine if policies and procedures have been posted. DHS has been coordinating with CHA. It has not been determined whether DHS will need to develop regulations, and this will be discussed. Stephen Clark suggested that a DHS representative be invited to attend the January HDPIC meeting.

Jacquelyn Paige made the suggestion that charity care policies be made available electronically and linked so that the policies can be E-mailed to others. Also link the applications that can be done electronically such as Medi-Cal and Healthy Families.

There is no provision for OSHPD enforcement for lack of compliance other than notifying DHS that a hospital has not complied with the reporting. DHS may choose to implement the provision as a condition of licensure and follow up.

Next Meeting Date: The next meeting will be held on January 24, 2007.

Adjournment: 11:36 a.m.

Pending:

1. Approval of the September 28, 2006 Minutes.
2. Invite DHS representative to next HDPIC meeting.
3. Research definition of "family."